

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

DEC -4 2007
USDC V. SDNY

BODNAR CAPITAL MANAGEMENT, LLC,

Plaintiff,

Complaint

v.

SUB-URBAN BRANDS, INC.,

Defendant.

December 3, 2007

'07 CIV 10989
BATTs

Bodnar Capital Management, Inc. by and through undersigned counsel, for its complaint against Sub-Urban Brands, Inc., alleges as follows:

First Cause of Action

1. Bodnar Capital Management, Inc. ("BCM") is a Connecticut limited liability company with its principal offices at 680 Old Academy Road, Fairfield, Connecticut 06824.
2. Upon information and belief, Sub-Urban Brands, Inc. ("SUBI") is a Nevada corporation with its principal offices at 8723 Bellanbca Avenue, Building A, Los Angeles, California, 90045.
3. Jurisdiction is proper as the parties are diverse in citizenship and the amount in dispute exceeds \$75,000 exclusive of interest and costs.
4. On or about July 6, 2006, BCM loaned SUBI the amount of \$100,000.00 and took back a Convertible Note, VFIN-3, dated July 6, 2006 ("Note").
5. The Note matured on the early of "(i) the consummation of a financing of not less than \$4,000,000 in gross proceeds or (ii) one year from the date hereof (the "Maturity Date")...."
6. At the latest, the Note matured on July 5, 2006.
7. The Note bears interest at 10% per annum.

8. Under Section 2 of the Note, the failure to pay principal or interest when due is an event of "Default."

9. Under Section 10 of the Note, the parties agreed that the State and Federal Courts sitting in the County of New York had jurisdiction over any disputes arising under the Note.

10. Under Section 11 of the Note, SUBI is obligated to BCM for its attorneys' fees, costs and expenses in the event BCM has to file an action to collect on the Note.

11. The Note has matured and SUBI has not paid the Note in accordance with its terms.

12. BCM has demanded payment under the Note and despite such demand, SUBI has not paid the Note in accordance with its terms.

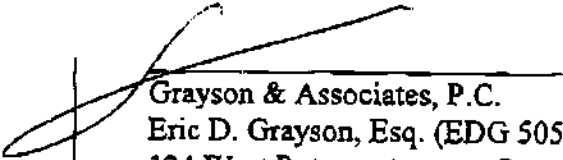
13. SUBI has defaulted on the Note.

14. SUBI is obligated to pay BCM \$100,000 in principal, plus interest, attorneys' fees and costs.

WHEREFORE, BCM prays for Judgment against SUBI:

1. In the principal amount of \$100,000.00
2. For interest, attorneys' fees and costs,
3. For any further and different relief that this Court finds just and equitable.

Dated: December 3, 2007



Grayson & Associates, P.C.
Eric D. Grayson, Esq. (EDG 5056)
124 West Putnam Avenue, Second Floor
Greenwich, Connecticut 06830
(203) 622-8100
Attorneys for Plaintiff